

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE REVISED AND RESTATED POWER PURCHASE AGREEMENT BETWEEN LOWER VALLEY ENERGY, INC. (SELLER) AND <u>PACIFICORP DATED FEBRUARY 1, 2010</u>))))))	CASE NO. PAC-E-09-05 MINUTE ORDER
---	----------------------------	--

On February 5, 2010, PacifiCorp submitted for Idaho Public Utilities Commission (Commission) approval a copy of the Revised and Restated Power Purchase Agreement between Lower Valley Energy, Inc. and PacifiCorp dated February 1, 2010. Lower Valley Energy, Inc. owns, operates and maintains two run of river hydroelectric generating facilities located on Swift Creek, in or near the town of Afton, Lincoln County, Wyoming. The upriver plant was completed in May 2009 and has a facility capacity rating of 940 kilowatts (kW) (the Upper Facility). A Power Purchase Agreement dated May 22, 2009 (amended by letter on July 7, 2009), for the Upper Facility was approved by the Commission on July 16, 2009, in Order No. 30864. The submitted Revised and Restated Agreement amends the parties' Upper Facility Power Purchase Agreement to add Seller's 597 kW Lower Facility, which was completed in October 2009. The Revised and Restated Agreement is a full integration of the parties' May 22, 2009 Upper Facility Agreement (as amended), and their current revision and restatement adding the Lower Facility.

COMMISSION FINDINGS

The Commission has reviewed the filings of record in Case No. PAC-E-09-05 including the underlying Power Purchase Agreement between Lower Valley Energy, Inc. and PacifiCorp, Commission Order No. 30864 and the Revised and Restated Agreement. Except for the addition of the new Lower Facility (597 kW), we find that there are no other material changes in the Agreement and no change to the rates, terms and conditions of the original Agreement. As represented and pursuant to the Revised and Restated Power Purchase Agreement, both the Upper and Lower Facilities will be qualified small power production facilities (QFs) under the applicable provisions of the Public Utility Regulatory Policies Act of 1978 (PURPA). PacifiCorp will accept delivery of generation from the PURPA qualifying facilities at the Goshen Substation in Idaho. Exhibit B. The term of the contract is three years.

¶ 2.1. Under normal and/or average conditions the expanded project will not exceed 10 aMW on

a monthly basis. ¶ 1.28. We thus find the project is qualified to receive the published avoided cost rates approved by the Commission.

The Commission finds that the Revised and Restated Agreement submitted in this case contains acceptable contract provisions and includes the non-levelized published rates approved by the Commission in Order No. 30480. ¶ 5.1. We find it reasonable that the submitted Revised and Restated Agreement be approved without further notice or procedure. We further find it reasonable to allow payments made under the Revised and Restated Agreement as prudently incurred expenses for ratemaking purposes.

CONCLUSIONS OF LAW

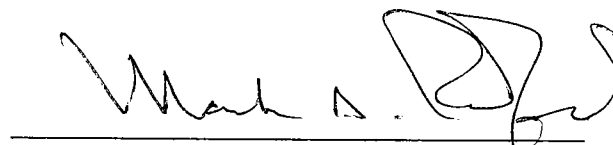
The Idaho Public Utilities Commission has jurisdiction over PacifiCorp dba Rocky Mountain Power, an electric utility, pursuant to the authority and power granted it under Title 61 of the Idaho Code and the Public Utility Regulatory Policies of 1978 (PURPA). The Commission has authority under PURPA and the implementing regulations of the Federal Energy Regulatory Commission (FERC) to set avoided costs, to order electric utilities to enter into fixed term obligations for the purchase of energy from qualified facilities and to implement FERC rules.

In consideration of the foregoing and as more particularly described above, the Commission by Minute Order approves the February 1, 2010, Revised and Restated Power Purchase Agreement between Lower Valley Energy, Inc. and PacifiCorp.

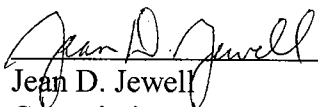
DATED at Boise, Idaho this 25th day of February 2010.


JIM D. KEMPTON, PRESIDENT


MARSHA H. SMITH, COMMISSIONER


MACK A. REDFORD, COMMISSIONER

ATTEST:


Jean D. Jewell
Commission Secretary

bls/O:PAC-E-09-05_sw_Minute Order